

December 13, 2018

VIA ELECTRONIC FILING

Ms. Jocelyn G. Boyd
Chief Clerk and Administrator
The Public Service Commission of South Carolina
Synergy Business Park
101 Executive Center Drive
Columbia, South Carolina 29210

Re: GCRM-147, Docket No. 2006-401-G

Dear Ms. Boyd:

On behalf of Piedmont Natural Gas Company, Inc. ("Piedmont"), I have enclosed various schedules constituting Piedmont's GCRM-147.

The rate changes reflected in this filing, as shown on the attached schedules, are necessary to update Piedmont's rates to reflect changes in Piedmont's wholesale costs of gas. Wholesale futures contract prices for natural gas deliveries, as reflected on the New York Mercantile Exchange, are currently at levels above the \$3.00 per dekatherm commodity cost of gas reflected in Piedmont's current rates.

Based on the differential between Piedmont's existing benchmark cost of gas and the futures wholesale price, as well as the current balance in its deferred gas cost account, Piedmont is at risk of under-collecting its wholesale gas costs if the benchmark cost of gas reflected in its rates is not increased to \$3.75 per dekatherm as proposed herein. The relief requested herein will mitigate such under-collection and will also ensure that the wholesale gas costs reflected in Piedmont's rates are reasonably consistent with the prevailing market price for natural gas, thereby avoiding the creation of artificial market signals/incentives to parties who utilize this commodity for fuel or process purposes. The rate changes proposed herein are an increase of \$0.07633/therm for sales rate schedules (201, 202, 242, 252, 203 and 204) and an increase of \$0.00133/therm for transportation rate schedules (213 and 214).

Piedmont hereby requests approval of this GCRM filing in time to implement these rate changes effective with the first billing cycle in January, 2019.

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If you have any questions regarding this matter, you may reach me at the number shown above.

Sincerely,

/s/ Jasmine K. Gardner
Jasmine K. Gardner

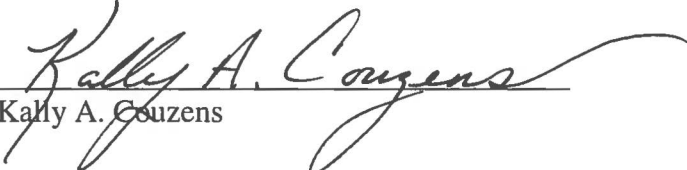
Enclosures

cc: Bruce Barkley
Pia Powers
Brian Heslin
Jim Jeffries
Office of Regulatory Staff (via email and overnight delivery)

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

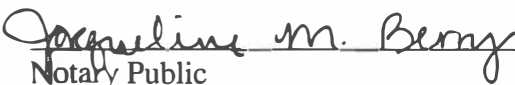
VERIFICATION

Kally A. Couzens, being duly sworn, deposes and says that she is Rates & Regulatory Strategy Manager – Regulatory Affairs of Piedmont Natural Gas Company, Inc., that as such, she has read the foregoing and knows the contents thereof; and she believes that the facts set forth therein are true and correct.


Kally A. Couzens

Mecklenburg County, North Carolina
Signed and sworn to before me this day by Kally A. Couzens

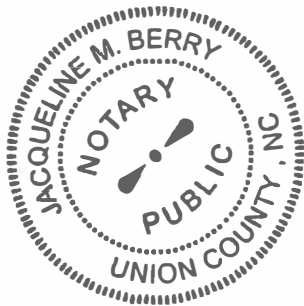
Date: 12/13/2018


Notary Public

(Official Seal)

My commission expires:

11/29/2021



Schedule A

Piedmont Natural Gas Company, Inc.
State of South Carolina
Proposed Benchmark Commodity Rate Change - GCRM 147, Docket No. 2006-401-G

Schedule A
Page 1 of 2

	(a)	(b)	(c)
	November 2018	GCRM-147	January 2019
	Current	COG Commodity	Proposed
		Rate	
Rate Schedules:	<u>Billing Rates</u> ¹	<u>Change</u>	<u>Billing Rates</u>
201 Residential Service			
Monthly Charge-winter	10.00	-	10.00
Monthly Charge-summer	8.00	-	8.00
Winter (Nov.-Mar.) per therm	0.80572	0.07633	0.88205
Summer (Apr.-Oct.) per therm	0.76231	0.07633	0.83864
202 Small General Service			
Monthly Charge	22.00	-	22.00
Winter (Nov.-Mar.) per therm	0.72125	0.07633	0.79758
Summer (Apr.-Oct.) per therm	0.71033	0.07633	0.78666
252 Medium General Service			
Monthly Charge	75.00	-	75.00
Winter (Nov.-Mar.) per therm	0.69000	0.07633	0.76633
Summer (Apr.-Oct.) per therm	0.67908	0.07633	0.75541
242 Natural Gas Vehicle Fuel Service			
Winter (Nov.-Mar.) per therm	0.59714	0.07633	0.67347
Summer (Apr.-Oct.) per therm	0.59714	0.07633	0.67347
Winter (Nov.-Mar.) per GGE ²	0.75240		0.84857
Summer (Apr.-Oct.) per GGE ²	0.75240		0.84857
243 Experimental Motor Vehicle Fuel Service			
Monthly Charge	<i>varies by customer per their corresponding rate schedule</i>		
Winter (Nov.-Mar.)	<i>varies by customer per their corresponding rate schedule</i>		
Summer (Apr.-Oct.)	<i>varies by customer per their corresponding rate schedule</i>		
203 Large General Sales Service			
Monthly Charge	250.00	-	250.00
Billing Demand per therm	1.10000	-	1.10000
Winter (Nov.-Mar.) per therm			
First 15,000	0.53648	0.07633	0.61281
Next 15,000	0.47077	0.07633	0.54710
Next 75,000	0.42274	0.07633	0.49907
Next 165,000	0.37650	0.07633	0.45283
Next 330,000	0.32936	0.07633	0.40569
Over 600,000	0.30579	0.07633	0.38212
Summer (Apr.-Oct.) per therm			
First 15,000	0.46220	0.07633	0.53853
Next 15,000	0.41507	0.07633	0.49140
Next 75,000	0.38560	0.07633	0.46193
Next 165,000	0.35793	0.07633	0.43426
Next 330,000	0.32936	0.07633	0.40569
Over 600,000	0.30579	0.07633	0.38212
204 Interruptible Sales Service			
Monthly Charge	250.00	-	250.00
Winter (Nov.-Mar.) per therm			
First 15,000	0.56148	0.07633	0.63781
Next 15,000	0.49577	0.07633	0.57210
Next 75,000	0.44864	0.07633	0.52497
Next 165,000	0.40300	0.07633	0.47933
Next 330,000	0.35336	0.07633	0.42969
Over 600,000	0.33079	0.07633	0.40712
Summer (Apr.-Oct.) per therm			
First 15,000	0.48720	0.07633	0.56353
Next 15,000	0.44007	0.07633	0.51640
Next 75,000	0.41150	0.07633	0.48783
Next 165,000	0.38443	0.07633	0.46076
Next 330,000	0.35336	0.07633	0.42969
Over 600,000	0.33079	0.07633	0.40712
205 Outdoor Gas Light Service			
Per Fixture/Mo.	15.00	-	15.00

Piedmont Natural Gas Company, Inc.
 State of South Carolina
 Proposed Benchmark Commodity Rate Change - GCRM 147, Docket No. 2006-401-G

	(a)	(b)	(c)
	November 2018	GCRM-147	January 2019
	Current	COG Commodity	Proposed
		Rate	
Rate Schedules:	<u>Billing Rates</u> ¹	<u>Change</u>	<u>Billing Rates</u>
213 Large General Transportation Service			
Monthly Charge	250.00	-	250.00
Standby Demand per therm	0.45000	-	0.45000
Billing Demand per therm	0.80000	-	0.80000
Winter (Nov.-Mar.) per therm			
First 15,000	0.21048	0.00133	0.21181
Next 15,000	0.14877	0.00133	0.15010
Next 75,000	0.10804	0.00133	0.10937
Next 165,000	0.06650	0.00133	0.06783
Next 330,000	0.02476	0.00133	0.02609
Over 600,000	0.00579	0.00133	0.00712
Summer (Apr.-Oct.) per therm			
First 15,000	0.13620	0.00133	0.13753
Next 15,000	0.09307	0.00133	0.09440
Next 75,000	0.07090	0.00133	0.07223
Next 165,000	0.04793	0.00133	0.04926
Next 330,000	0.02476	0.00133	0.02609
Over 600,000	0.00579	0.00133	0.00712
214 Interruptible Transportation Service			
Monthly Charge	250.00	-	250.00
Winter (Nov.-Mar.) per therm			
First 15,000	0.22648	0.00133	0.22781
Next 15,000	0.16577	0.00133	0.16710
Next 75,000	0.11364	0.00133	0.11497
Next 165,000	0.07250	0.00133	0.07383
Next 330,000	0.03136	0.00133	0.03269
Over 600,000	0.00579	0.00133	0.00712
Summer (Apr.-Oct.) per therm			
First 15,000	0.15220	0.00133	0.15353
Next 15,000	0.11007	0.00133	0.11140
Next 75,000	0.07650	0.00133	0.07783
Next 165,000	0.05393	0.00133	0.05526
Next 330,000	0.03136	0.00133	0.03269
Over 600,000	0.00579	0.00133	0.00712

1/ The rates in Column (a) are the same as those shown in the Company's Etariff filing revision #E2018-256 (version 30) approved on 10/31/18.

2/ The rates convert 1.26 therms to 1 GGE.

Schedule B

Piedmont Natural Gas Company, Inc.
State of South Carolina
Commodity Cost of Gas Calculation
Docket No. 2006-401-G
GCRM - 147

Schedule B
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	<u>Annualized Throughput (DT) per Docket 2018-7-G Settlement Approved on 10/3/2018, Order No. 2018-679</u>	<u>Proposed Commodity Rate per (DT)</u>	<u>Total</u>
Sales	15,337,035	\$ 3.75	\$ 57,513,881
Transportation	5,610,407		
Total Throughput	20,947,442		
LAUF %	1.77%		
Company Use & Lost And Unacct For	370,770	\$ 3.75	\$ 1,390,388
Total Throughput			20,947,442
Calculated Rate - LAUF			0.0664
Proposed Sales Commodity Rate per DT			\$ 3.81640
Proposed Sales Commodity Rate per Therm			\$ 0.38164
Current Sales Commodity Rate per Therm			\$ 0.30531
Adjustment to Sales Commodity Rate per Therm			\$ 0.07633
Proposed Transportation Commodity Rate per DT			\$ 0.06640
Proposed Transportation Commodity Rate per Therm			\$ 0.00664
Current Transportation Commodity Rate per Therm			\$ 0.00531
Adjustment to Transportation Commodity Rate per Therm			\$ 0.00133
Current Benchmark			\$ 3.00
Proposed Benchmark			\$ 3.75

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the attached document is being served this date via email and FedEx Overnight upon:

Jeffrey M. Nelson
Office of Regulatory Staff
1401 Main Street
Suite 900
Columbia, South Carolina 29201
jnelson@regstaff.sc.gov

And that a copy of the attached document is being served this date via email or U.S. Mail upon:

Bruce Barkley
Vice President
Regulatory and Community Relations
Piedmont Natural Gas Company, Inc.
P.O. Box 33068
Charlotte, North Carolina 28233
bruce.barkley@piedmontng.com

and

Pia Powers
Director – Gas Rates & Regulatory Affairs
Piedmont Natural Gas Company, Inc.
P.O. Box 33068
Charlotte, North Carolina 28233
pia.powers@piedmontng.com

This the 13th day of December, 2018.

/s/ Richard K. Goley
Richard K. Goley